FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Reginald Gilliam, Treasurer
Hill & Knowlton Incorporated Political
 Action Committee (HILLPAC) (FKA
 Gray & Co. PAC-GRAYPAC)
600 New Hampshire Avenue, NW
Washington, DC 20037

NOV 7 2001

Identification Number: C00183087

Reference: April Quarterly Report (1/1/00-3/31/00)

Dear Mr. Gilliam:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-The beginning cash balance of this report should equal the ending balance of your 1999 Year End Report. Please clarify this discrepancy and amend any subsequent report(s) that may be affected by this correction.

-Schedule B supporting Line 23 of your report discloses a contribution(s) to a candidate(s) for the Primary election; however, the funds were disbursed after the election date(s) (pertinent portion(s) attached). Please note that contributions may not be designated for an election which has already occurred unless the funds are to be used to reduce a candidate committee's debts incurred during that election campaign.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If you have made an impermissible contribution for an election which has already occurred, you should notify the recipient and request a refund and/or notify the recipient in writing of your redesignation of the contribution. In the best interest of your committee, all refunds and redesignations should be made within sixty days of the treasurer's receipt of the contribution(s).

Please inform the Commission of your corrective action immediately in

writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

Although the Commission may take further legal action regarding this impermissible activity, your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

A response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file responses and amendments in an electronic format. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

Thomas F. Maxwell, III
Reports Analyst
Reports Analysis Division

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SCHEDULE B   **ITEMIZED DISBURSEMENTS**

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

HILL AND KNOWLTON POLITICAL ACTION COMMITTEE

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
FRIENDS OF CLAY SHAW 2600 NE 14th ST. CAUSEWAY POMPANO BEACH, FL 33062	HOUSE (FL-22) Disbursement for: [X] Primary [ ] General [ ] Other (specify)	3/13/00	$500.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
FEINSTEIN 2000 1133 CONNECTICUT AVE NW, #700 WASHINGTON, DC 20036	SENATE-CA Disbursement for: [X] Primary [ ] General [ ] Other (specify)	3/28/00	$1,000.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)		
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)		
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)		
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)		
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)		
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)		
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: [ ] Primary [ ] General [ ] Other (specify)		

SUBTOTAL of Disbursements This Page (optional) ....

TOTAL This Period (last page this line number only) .... | 1,500.00 |

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